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at 10 a.m.
New York

SUMMARY RECORD OF THE 36TH MEETING

Chairman: Mr. VILCHEZ ASHER (Nicaragua)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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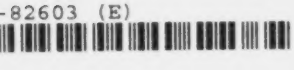

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The meeting was called to order at 10.15 a.m.

AGENDA ITEM 118: JOINT INSPECTION UNIT (continued) (A/49/34, A/49/423, A/49/560, A/49/629 and A/49/632; A/50/34, A/50/113 and Add.1, A/50/125 and Add.1, A/50/126 and Add.1, A/50/140 and Add.1, A/50/459/Add.1, A/50/503 and Add.1, A/50/507, A/50/509, A/50/571, A/50/572, A/50/686, A/50/692, A/50/721, A/50/742, A/50/753, A/50/780 and A/50/784; E/1993/119 and Add.1)

1. Mr. TOYA (Japan) said that his delegation supported the strengthening of external oversight, but that in the light of the critical financial situation, there was a need for rigorous scrutiny and the Joint Inspection Unit (JIU) could be no exception. The Unit had proposed the upgrading of one P-5 post to the D-1 level and the addition of a new P-4 post, but the proposals had not been included in the proposed programme budget for the biennium 1996-1997. His delegation would welcome clarification of that omission. In any event, careful consideration must be given to whether the proposals answered real needs.

2. While JIU was the only independent body with system-wide responsibilities, for inspection, evaluation and investigation, it already enjoyed a substantial level of resources. Moreover, it did not matter from which oversight body a recommendation emanated as long as it was useful, and both the Board of Auditors and the Office of Internal Oversight Services were producing useful recommendations.

3. The most important factor in determining whether JIU was performing satisfactorily was the action resulting from its recommendations. JIU was therefore taking steps to ensure systematic follow-up, including requests for timetables for the implementation of its recommendations by the executive heads of the organizations concerned. The Unit would also begin to draw attention to delays in the submission of comments on its reports. At the same time, JIU should listen to the executive heads in order to have a better understanding of why they were reluctant to respond to its recommendations.

4. He commended the Unit's efforts to improve its own management and welcomed the proposed streamlining of its future reports. He agreed that the selection of qualified inspectors was very important, and requested clarification of the proposal regarding a modification of the way in which the posts of Chairman and Vice-Chairman of the Unit were rotated in order to promote more effective leadership (A/50/34, para. 48).

5. He supported the emphasis placed in the future work programme on management, budgetary and administrative issues, operational activities for development, peace-keeping operations and humanitarian assistance (A/50/140/Add.1). In view of the importance of inspection and evaluation and ongoing reform, reports on such subjects as streamlining, contracting out, coordination, assessment of the restructuring, and evaluation of the United Nations Conference on Trade and Development should be given higher priority. In particular, there should be an early system-wide review of planning, programming and budgetary procedures, the use of experts and consultants, and procurement procedures. Both the Fifth Committee and the Advisory Committee on

Administrative and Budgetary Questions (ACABQ) should devote more time to the consideration of JIU reports.

6. Mr. GJESDAL (Norway) said that, while his delegation endorsed many of the Unit's priorities and the thrust of most of its work programme, it believed there was a need for JIU to be realistic about resource constraints, to keep an eye on the relevance and user-friendliness of reports, to focus on the most pressing challenges to the system and to improve its collaboration with other actors. That implied the sharing of information on work programmes among oversight bodies, comparisons recommendations and the avoidance of overlapping reports.

7. One positive example of coordination was the mutually reinforcing activity of the Board of Auditors and the Office of Internal Oversight Services in undertaking audits of field offices of the Office of the United Nations High Commissioner for Refugees and its implementing partners. In contrast, the apparent lack of information-sharing between the Office and JIU with regard to the United Nations Access Control System was disquieting, as was the apparent failure by the Office to make records and reports available to JIU. Accordingly, he supported the intent of JIU to strengthen its cooperation with the Office of Internal Oversight Services. Indeed, it would be a paradox if the various internal and external oversight bodies were not able to set a positive example in terms of coordination.

8. Should it become necessary to redeploy the Unit's resources, his delegation believed that the greatest comparative advantage of JIU lay in the work on system-wide questions relating to management, accountability and oversight. The Unit might, in fact, take responsibility for encouraging the development of internal oversight functions throughout the system. Each organization should have efficient programming, management and control systems, and the new responsibility and accountability system should be extended beyond New York.

9. Follow-up to the Unit's recommendations was very important. There was a need for practical procedures to ascertain compliance with recommendations on an ongoing basis. Indeed, there should be more effective follow-up to the recommendations of all oversight bodies. Ultimately, the Unit's effectiveness depended on the practicability of its recommendations and on the election of competent inspectors.

10. His delegation was concerned that important building maintenance programmes were being deferred as a result of financial austerity. Such deferrals could not be cost-effective in the long term.

11. Lastly, as noted by JIU in its report on management in the United Nations (A/50/507), the Fifth Committee was just as accountable for accountability as the Secretariat, and, indeed, the Unit itself. The Committee could set an example by undertaking a serious review of its working methods and setting its own house in order. The various JIU recommendations on the improved functioning of the Fifth Committee deserved consideration in that regard.

12. Mr. DEINEKO (Russian Federation) said that his delegation attached considerable importance to the work of JIU, whose activities had been given new

impetus in the context of the reforms currently being undertaken in the United Nations. Any reforms, no matter how well conceived, would, however, be doomed to failure without an effective mechanism for the monitoring of their implementation. The Organization could not function properly without the input of specially established oversight bodies. His delegation fully endorsed the strengthening of the role and functions of the United Nations inspection mechanism.

13. JIU was an essential component of that mechanism and particular attention should be paid to the coordination of its work with that of other United Nations oversight bodies, namely the Office of Internal Oversight Services and the Board of Auditors. At the same time, there was a need for a clear demarcation of the responsibilities and powers of those bodies in order to avoid duplication in their work. He noted with particular satisfaction the working relations that had been established between JIU and the Office of Internal Oversight Services.

14. The United Nations currently faced colossal tasks which required significant expenditure in terms of material and human resources. The enormous sums needed to finance such operations necessarily entitled Member States to demand an account of expenditures. His delegation endorsed the choice of topics on which the Unit had decided to focus and believed that, overall, those areas took account of the pressing issues facing the Organization. Particular attention needed to be given to peace-keeping activities, an area in which serious waste and mismanagement had been identified, and he was sure that JIU would have further contributions to make in the field of the enhanced utilization of peace-keeping resources.

15. His delegation had been particularly impressed by the report entitled "United Nations system support for science and technology in Africa" (A/50/125), the report entitled "Accountability, management improvement, and oversight in the United Nations system" (A/50/503 and Add.1) and the report entitled "Sharing responsibilities in peace-keeping: the United Nations and regional organizations" (A/50/571), which had been highly specific and contained clear-cut recommendations on how to enhance the efficiency of various areas of United Nations activity.

16. There was a need to focus on measures which would result in real savings for the Organization at the compilation stage of such reports. Boosting efficiency while simultaneously cutting back unproductive and bureaucratic expenditure was the real key to getting better performance out of the entire United Nations system.

17. The General Assembly and the Fifth Committee had a vital guiding and directing role to play in giving practical expression to the Unit's work and ensuring its relevancy. The task of the Unit's 11 inspectors was not made easy by the sheer size of the Organization.

18. His delegation believed that, as a system-wide oversight body, JIU acted as a vital link between various bodies in the United Nations system in terms of their administration and management. In that context, it was important to strengthen the mechanism for ensuring a constructive dialogue between the

executive heads of the organizations and the inspectors in order to enhance coordination within the system and eliminate potential duplication of work.

19. Mr. DECOTIIS (United States of America) said that the substantive reports compiled by JIU should be considered under the appropriate agenda item by the pertinent committee or other intergovernmental body dealing with the issue. Generally speaking, however, his delegation welcomed the Unit's contribution to the improved management and efficiency of the Organization. It also noted that too often Member States had given scant attention to JIU reports. One way to focus the attention of Member States and programme managers alike on the work of JIU would be to have the Office of Internal Oversight Services track compliance with those of the Unit's recommendations which had been approved, just as the Office had recently been asked to track compliance with the recommendations of the Board of Auditors.

20. JIU was to be commended for its efforts to coordinate its activities with those of the Board of Auditors and the Office of Internal Oversight Services. The work of those three oversight bodies could and should be complementary. To achieve that objective, they must develop a mechanism for joint planning.

21. With the advent of the Office of Internal Oversight Services, he urged the Unit to focus its activities on system-wide issues where it had the comparative advantage in analysis and reporting. JIU should pursue studies such as printing arrangements and subcontracting in the United Nations system, or cooperation between the Global Environment Facility implementing agencies and the specialized agencies of the United Nations system. Less emphasis should be placed on studies relating strictly to the United Nations itself. For example, his delegation believed that the Office of Internal Oversight Services was in a better position to conduct studies on the Organization's role in peace-keeping operations, while JIU studies should focus on system-wide involvement in such operations.

22. JIU should also select and execute studies which would support the reform process. The report entitled "Management in the United Nations: work in progress" (A/50/507) had been a valuable contribution to that effort. His delegation believed that time should be made available at the current session for a preliminary consideration of that report. The Unit could also provide the information - often not otherwise available or publicized - that Member States required to determine whether programmes and activities were producing value for money.

23. Mr. KOULIEV (Azerbaijan), referring to the JIU report entitled "Sharing responsibilities in peace-keeping: the United Nations and regional organizations" (A/50/571) and "Investigation of the relationship between humanitarian assistance and peace-keeping operations" (A/50/572), said that he questioned whether the Unit had strictly complied with its functions, mandate and obligations as stipulated in its statute. Specifically, JIU had violated the provisions of article 5 of its own Statute by failing to make concrete recommendations on how the Organization could marshal its peace-keeping resources more efficiently at a time when regional organizations had become increasingly involved in such activities. The recommendations on financing contained in the report entitled "Sharing responsibilities in peace-keeping:

the United Nations and regional organizations" (A/50/571), and specifically the proposal regarding the establishment of an emergency revolving fund to finance regional organizations' activities in maintaining peace and security, could hardly be considered realistic or pragmatic.

24. His delegation noted with regret that paragraphs 30, 38 and 48 and annex I./3 of document A/50/571 failed to reflect the fact that Nagorny Karabakh was an integral part of the Azerbaijani Republic, whereas in the same report in a similar context Abkhazia and South Ossetia were clearly identified as parts of the Republic of Georgia. The omission had been all the more disturbing in that General Assembly resolution 49/13 and a recent report of the Secretary-General (A/50/564) clearly confirmed the status of Nagorny Karabakh as an integral part of Azerbaijan. It was, moreover, astonishing that the authors of the report, who had initially admitted that the mistake was a technical one, had then changed their position and refused to correct the document. The Unit had exceeded its authority as defined by article 5, paragraph 5, of its statute and the relevant General Assembly resolutions. Any reference to the use of the terminology of the Organization for Security and Cooperation in Europe was completely irrelevant since JIU was a body of the United Nations system; it was indeed strange that the authors of the report should refer to the wording used by a regional organization and not to the relevant documents of the General Assembly. His delegation viewed the matter as a political act and an infringement upon the territorial sovereignty of the Azerbaijani Republic.

25. The CHAIRMAN said that the matter raised by the representative of Azerbaijan was beyond the competence of the Committee.

26. Mr. BOUAYAD AGHA (Chairman of the Joint Inspection Unit) said that he wished to avoid getting involved in a polemic with the Azerbaijani delegation. The report in question (A/50/571) should be placed in context as a study of conflict resolution through regional organizations. Whenever the United Nations dealt with problems in conjunction with regional organizations, the established practice was to use the terminology employed by the relevant organization. The same formulation had been used in paragraph 764 of the Report of the Secretary-General on the work of the Organization (A/50/1).

27. Mr. KOULIEV (Azerbaijan) pointed out that the document referred to by the Chairman of the Joint Inspection Unit had subsequently been corrected.

AGENDA ITEM 121: UNITED NATIONS COMMON SYSTEM (continued) (A/50/30; A/C.5/50/5, A/C.5/50/11, A/C.5/50/23, A/C.5/50/24 and Corr.1 and A/C.5/50/29)

28. Mr. ROTH (United States of America) said that in order to be effective, the United Nations must be able to attract skilled staff and must therefore be able to offer adequate levels of compensation and benefits. His Government believed that adequate levels already existed, and thus strongly opposed the recommendation of the International Civil Service Commission (ICSC) for a pay increase for Professional staff. The compensation adjustments approved in November 1995, in particular, made any increase unnecessary.

29. The Commission's unprecedented use of an equal weighting methodology and the inclusion of bonuses and performance awards had overstated compensation in

the comparator and resulted in a misrepresentation. Had the Commission followed previous practice, and had it taken into account the November 1995 adjustment, salaries would have been within the margin range.

30. In addition to technical questions, there was the more fundamental issue of purpose and need. There was no evidence that the proposed pay increase was required to recruit or retain qualified staff. On the contrary, the Commission had noted the absence of any widespread or acute recruitment problems; difficulties had been cited only at some grade levels in some occupations and for some nationalities. As a rule, there was an abundance of qualified candidates for Professional positions. If needed, agencies should use special occupational rates, which had been endorsed in principle by the General Assembly at its forty-seventh session, to address serious recruitment and retention problems.

31. The proposed pay increase came at the worst possible time, when both the United Nations and the other organizations of the common system were in the midst of a financial crisis. The increase would cost more than $100 million a year, with no compensating increase in productivity or performance. Those dollars could be better used. It would be difficult to tell the hard-working people of the United States that their tax dollars were being used to increase the compensation of United Nations staff, who already made more money than comparable employees in any civil service in the world.

32. Governments and successful corporations and other institutions everywhere were cutting budgets, reducing staff, freezing salaries and eliminating programmes. The United Nations could not ignore those trends. A pay increase would undermine the reform process within the Organization, and would have a devastating impact on public support for the United Nations.

33. Lastly, given current fiscal restraints, the time had come to re-examine the criteria used to determine post adjustments and to reconsider whether they should continue to be triggered automatically by increases in cost-of-living indices. With regard to the composition of the Commission, Member States must ensure that only qualified candidates were nominated.

34. Mr. KOUZNETSOV (Russian Federation), supported by Mr. AMARI (Tunisia), said that, with regard to issues affecting conditions of service and remuneration, his delegation had consistently advocated constructive cooperation between all parties. Unfortunately, some staff organizations had displayed an extremely negative attitude which could only impair the prospects for fruitful dialogue. His delegation objected to the tone of certain remarks which one staff association had addressed to ICSC; such comments merely undermined the consultative process.

35. Mr. ODAGA-JALOMAYO (Uganda) said that, while the Fifth Committee welcomed presentations by staff representatives, the latter should not presume that they had an automatic right to speak before the Committee. In view of the attitude displayed by certain staff associations, the Committee should review whether statements by their representatives added any value to its discussions.

36. Mr. HANSON (Canada) agreed that it was not productive for the Committee to be used as a forum for recriminations. The Committee operated on the consensus principle and a confrontational approach was unacceptable.

ORGANIZATION OF WORK

37. Mr. MENKVELD (Netherlands) noted that the Committee was due to start holding night meetings later in the week. In view of the comments on the cash situation made by the Under-Secretary-General for Administration and Management, the Committee should make more use of the regular working day by holding four meetings of two hours' duration each between 9 a.m. and 6 p.m. Even if it were necessary to go beyond 6 p.m. such a timetable would result in considerable savings.

38. The CHAIRMAN said that the current programme of work had been determined by the Bureau in consultation with the coordinators for agenda items. The meetings scheduled were necessary and could be met from within existing resources.

39. Mr. ACAKPO-SATCHIVI (Secretary of the Committee) said that the suggestion made by the representative of the Netherlands would need to be considered by the Committee on Conferences and the General Committee. There would be a practical difficulty in securing interpretation services. Consultations on the matter would be required with the management of conference services, which was extremely strict and very efficient. The Committee should take care to ensure that any changes did not result in increased costs.

40. Mr. MENKVELD (Netherlands) said that, if the current programme could be accommodated within existing resources, not having night meetings would surely result in savings. The comments by the Secretary were not convincing and he trusted that consultations could be held with a view to further rationalizing the Committee's work.

41. Mr. TOYA (Japan) supported the statement by the representative of the Netherlands.

42. The CHAIRMAN, referring to agenda item 116, said that, following consultations, he wished to inform the Committee that the Joint Inspection Unit, in accordance with its statute, would be invited to attend meetings at which its budget estimates were being discussed.

OTHER MATTERS

43. Mr. CORELL (Under-Secretary-General for Legal Affairs, The Legal Counsel), commenting on the legal implications of the statement made by the representative of the United States that his Government was not able to pay more than 25 per cent of the assessments for any peace-keeping operation, said that, according to his understanding of the statement, the United States Government was not able to pay more than 25 per cent of the assessments for any peace-keeping operation; that the limitation applied to the budget of the United Nations Mission in Haiti (UNMIH); and that, while the United States Government fully expected to join the consensus on the resolution for the financing of

UNMIH, that action should not lead to any misunderstanding that the United States would be able to pay any more than 25 per cent.

44. The matter was governed by Article 17 of the Charter, pursuant to which the General Assembly was required to consider and approve the budget of the Organization. More specifically, with regard to the question raised, Article 17 provided that the expenses of the Organization were to be borne by the Members as apportioned by the General Assembly. Consequently, once the General Assembly had approved the budget for the UNMIH operation, Member States would be obligated to bear the expenses of that operation as apportioned by the General Assembly. As matters stood, the General Assembly had determined that the portion of expenses that the United States was to bear for operations such as UNMIH was slightly more than 31 per cent.

45. Unless the General Assembly were to take action to reduce the portion of expenses that the United States was to bear for such operations generally, or for that particular operation, the United States Government would be legally obligated under Article 17 of the Charter to pay at the existing rate determined by the General Assembly.

The meeting rose at 11.40 a.m.